



# Qualifications for Board Members

## **Comparison of Existing ISO's**

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## Qualifications for Board Members

- **NYISO**
- **PJM**
- **ISO-NE**
- **MISO**
- **Desert Star**



## NYISO Board Qualifications

- Cross-section of skills and experience required, including:
  - Electric industry
  - Finance
  - Regulatory Affairs
  - Power pool operations
  - Public policy
  - Consumer advocacy
  - Law
  - Information Systems



## NYISO Board Qualifications

- At least 3 directors must have relevant electric industry experience
- *Strong preference for New York candidates consistent with the ISO's conflict of interest policy.*



## PJM Board Qualifications

- 4 must have senior management/board level experience in at least one of the following areas:
  - Corporate leadership
  - Finance or accounting
  - Engineering
  - Utility law & regulation



## PJM Board Qualifications

- 1 must have experience in operation or concerns of transmission dependent utilities
- 1 must have expertise in operation or planning of transmission systems
- 1 must have expertise in commercial markets/trading/risk management



## ISO-NE Board Qualifications

- Board members shall have a broad range of experience, including:
  - Utility operation or regulation
  - Finance or financial markets
  - Law
- Chair must have electric utility experience
- Vice-chair must have financial background



## MI SO Board Qualifications

- 4 shall have experience & expertise in corporate leadership at senior management or board level; or
- In professional disciplines of
  - Finance
  - Accounting
  - Engineering
  - Utility laws & regulation



## MI SO Board Qualifications

- 1 expertise in planning of electric transmission systems
- 1 expertise in operation of electric transmission systems
- 1 expertise in commercial markets/trading/risk management



## Desert Star Board Qualifications

- Qualifications for voting members (5 unaffiliated directors):
- Shall “attempt to elect” Directors so that:
- At least 1 shall have expertise in bulk power electric transmission operations
- Others: experience in corporate leadership at senior management or director level; or



## Desert Star Board Qualifications

- Have demonstrated leadership in the professional disciplines of:
  - Law
  - Finance
  - Economics
  - Accounting
  - Engineering
  - Regulation
  - Commodity markets/risk management



## Comparison with IndeGO

- Should “endeavor to find” Trustees who individually or collectively possess the following qualifications:
- Knowledgeable concerning electric transmission system operations;



## Comparison with IndeGO

- Experienced and knowledgeable concerning the following matters “affecting the activities of the Corporation”:
  - Business
  - Financial
  - Organizational
  - Regulatory & political
  - Other matters



## Comparison with IndeGO

- “Otherwise qualified” to assist the Corporation in overcoming particular challenges that may confront it from time to time



## Issues for Consideration

- General or specific requirements?
  - IndeGO: “endeavor to find”
  - Others: generally mandate
- Specify experience at “senior management or board level”?
- Specify certain experience for Chair?  
(e.g. – ISO-NE)



## Issues for Consideration

- Specify NW regional experience within conflict-of-interest requirements (e.g. NYISO)?
- Specify areas of expertise with non-specific requirements for mix?
- Specify areas of expertise with required diversity for some/all board members?



## Issues for Consideration

- Areas of Expertise:
  - Electric Utility Industry
    - Operations
    - Planning
    - Power Pool Operations
  - Transmission Dependent Utilities
  - Engineering
  - Utility law & regulation
  - Finance



## Issues for Consideration

- Areas of Expertise (cont'd)
  - Financial markets/risk management
  - Accounting
  - Information Systems
  - Public Policy
  - Environmental Policy
  - Consumer Advocacy



## Issues for Consideration

- Which areas are mandatory in existing ISO's?
  - Electric utility planning & operations
  - TDU experience
  - Finance
  - Commercial markets/risk management



## Number of Voting Directors?

NYISO	9
PJM	7
ISO-NE	9
MISO	7
Desert Star	5 (+9 non-voting)
IndeGo	7 (+2 non-voting)



*RTO West*

# Which Characteristics are Most Important to the NWRTO?

**DISCUSSION**



## ISO Board Composition

**NYISO**

**PJM**

**ISO-NE**

**MISO**

**Desert Star**

## NYISO Board of Directors

### AREA

### DIRECTOR

Electric Industry

*Richard Grossi (Chairman)*

Electric Industry

*William Boston (Vice Chairman)*

Electric Industry

*Harold N. Scherer, Jr.*

Information Technology *Karen Antion*

Finance

*Erland E. Kailbourne*

Academia

*Richard Schuler*

Telecommunications

*Alfred Boschulte*

Equity Markets

*Thomas F. Ryan,*

Environmental

*Peter Berle*

President and CEO

*William Museler*





## PJM Board of Managers

- Carolyn Smithson Burger      Former President & CEO Bell Atlantic - Delaware
- John T. Coughlin              Former Commissioner - Wisconsin PSC/ Attorney
- Lynn W. Eury                  Former Exec VP/Board Member - Carolina P&L
- Phillip G. Harris (Chair)      CEO and President
- James E. Ksansnak            Vice Chairman ARAMARK Corp/Member of Board/CPA
- Dr. Richard T. Lahey, Jr.    E.E.Hood Prof of Engineering; Former Dean - RPI
- Frank L. Olson                Former President & Gnl Mgr - MEAG Power, GA
- .
- Howard Schneider            Partner Rosenman & Colin LLP/Attorney

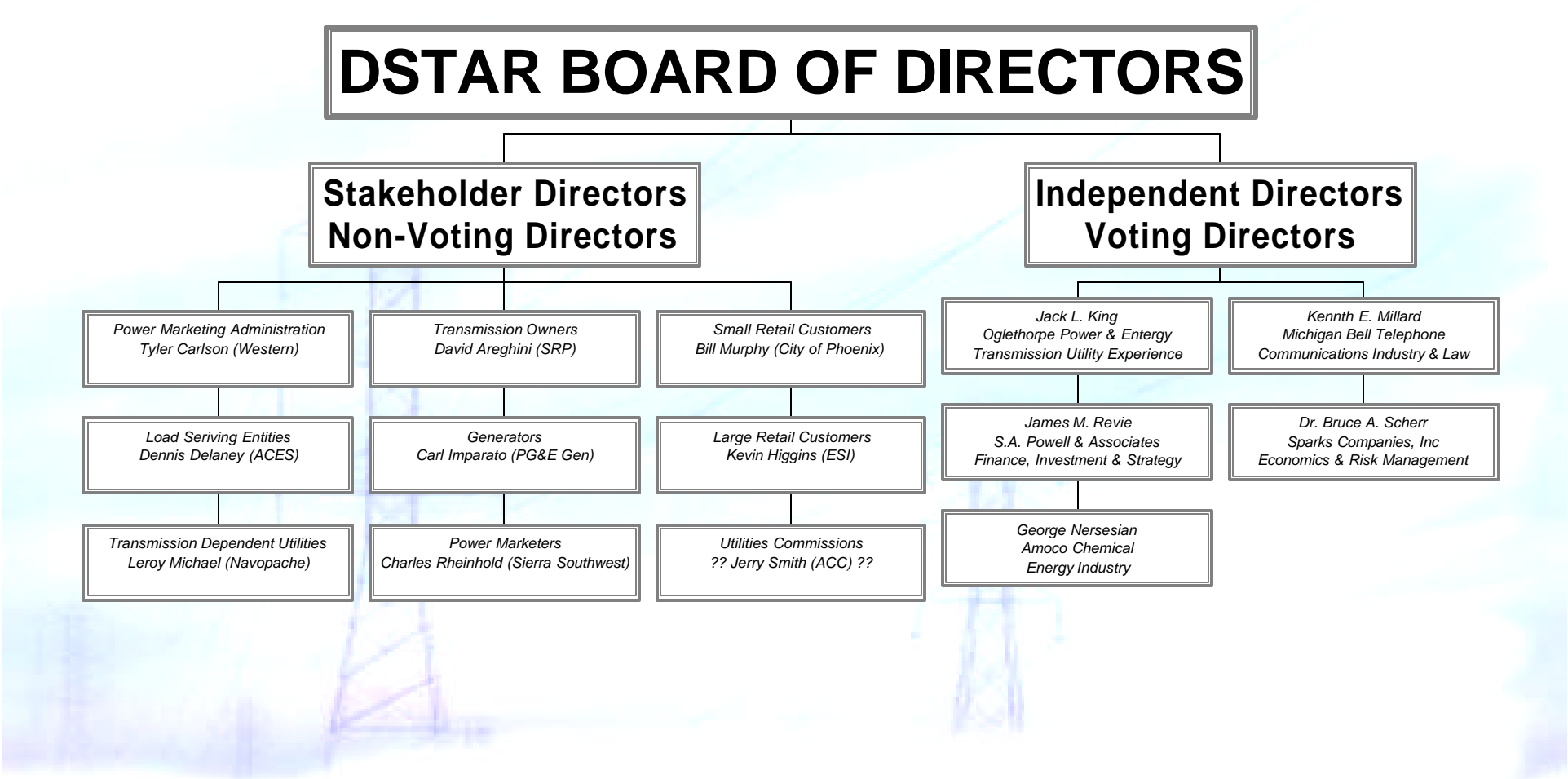
# ISO-NE Board of Directors

- ◆ Chair, William W. Berry
- ◆ Alger B. Chapman
- ◆ Donald L. Isaacs
- ◆ John G. Kassakian
- ◆ Alvin K. Klevorick
- ◆ Kenneth R. Leibler
- ◆ Vice-Chair,  
Vincent M. O'Reilly
- ◆ Phillip J. Pellegrino
- ◆ Mary Sharpe  
Hayes
- ◆ Charles G. Stalon
- ◆ Retired Chair, Dominion Resources and Virginia Power
- ◆ Retired Chair and CEO, Chicago Board Opticals Exchange
- ◆ Former Vice Chairman and Corporate Director, BayBanks, Inc.
- ◆ Professor and Lab Director, Massachusetts Institute of Technology
- ◆ John Thomas Smith Professor of Law and Professor of Economics, Yale University
- ◆ President and CEO, Liberty Financial Companies, Inc.
- ◆ Retired Executive Vice Chairman and CEO, Coopers-Lybrand, LLP
- ◆ President and CEO, ISO New England Inc.
- ◆ Vice President Strategic Planning, PEPCO
- ◆ Former Commissioner, Federal Energy Regulatory Commission



# MI SO Board of Directors

- James H. Young, Jr.      Former Sr. VP - S. Carolina E&G Company
- Chairman
- Paul E. Hanaway      Former Commissioner - Rhode Island PUC
- Vice-Chairman
- William O. Albertini      Former Exec VP and CFO - Bell Atlantic Corp.
- David F. DeRosa, Ph.D.      President - DeRosa Research and Trading, Inc.
- Donald L. Stokley      Former President and CEO - MEAG
- William P. Vititoe      Former Chairman, CEO, President - Washington Energy
- J. Clifford Dodd      Executive VP - Systems Engineering
- Matthew Cordaro      President & CEO MI SO



## Stakeholder Directors

## Non-Voting Directors

George Nersesian  
Amoco Chemical  
Energy Industry